

MINUTES OF THE SPECIAL MEETING OF THE FAIRFAX COUNTY  
REDEVELOPMENT AND HOUSING AUTHORITY

September 13, 2005

On September 13, 2005, the Commissioners of the Fairfax County Redevelopment and Housing Authority (FCRHA) convened a special meeting in the FCRHA Board Room, One University Plaza, 4500 University Drive, Fairfax, Virginia, at 7:00 p.m.

CALL TO ORDER

FCRHA Chair Conrad Egan called the special meeting of the FCRHA to order at 7:10 p.m. FCRHA Commissioners present or absent for a portion or all of the meeting were as follows:

PRESENT

Conrad Egan  
Martin Dunn  
Willard Jasper  
John Kershenstein  
Elisabeth Lardner  
John Litzenberger  
Al McAloon  
Lee A. Rau  
Joan Sellers

ABSENT

Ronald Christian  
H. Charlen Kyle

Also present at the meeting were the following staff of the Department of Housing and Community Development (HCD): Paula C. Sampson, Director; Mary A. Stevens, Deputy Director; Harry Swanson, Deputy Director, Revitalization and Real Estate; Patti Schlener, Director of Administration; Carol Erhard, Acting Director of Housing Management; Michael Wever, Chief, Housing Services Branch, HMD; Curtis Hall, Director, Information Systems and Services (ISS); Financial Management Division (FMD); Aseem Nigam, Director, Real Estate Finance and Grants Management Division (REFGM); Michael Pearman, Management Analyst, REFGM; and Winifred A. Clement, FCRHA Assistant. Other Fairfax County staff in attendance included. Alan Weiss, Assistant County Attorney and FCRHA Counsel.

ACTION ITEMS:

Commissioner Egan thanked the commissioners for making it possible to have the meeting this evening. As requested by Chairman Egan, HCD Director Paula Sampson gave an update on the Katrina Hurricane disaster and the challenges facing the County and its response to the crisis. The County is expected to provide permanent housing, schooling, jobs, and other resources for the victims of the Katrina disaster. A goal of providing housing for 100 families has been set by the Board of Supervisors. Two staff persons are currently providing assistance at the DC Armory site where many evacuee families have been housed temporarily. In addition to walk-ins, the Red Cross and the Department of Family Services are making referrals. The HCD Homeownership Center has been temporarily turned into the point of entry for evacuee families until late September. Other HCD staff

also made brief comments on their experience in working with this group. Ms. Sampson reported that some private property owners are also stepping forward and working with HCD in providing services, including some rent-free units for a limited time. Ms. Sampson praised HCD staff for moving quickly into action to meet the needs of the victims. After the update, Ms. Sampson responded to questions from the Commissioners.

Commissioner Egan talked stressed the need to seek additional funding, including and additional vouchers, through Congress. He thanked faith-based organizations as well as nonprofits and for-profit organizations for the participating in this outreach.

ACTION ITEMS:

1. RESOLUTION NUMBER 60-05 as amended

AUTHORIZATION TO REVISE THE ADMISSIONS PREFERENCES IN THE  
ADMINISTRATIVE PLAN FOR THE HOUSING CHOICE VOUCHER PROGRAM AND  
IN THE ADMISSIONS AND OCCUPANCY POLICIES FOR THE PUBLIC HOUSING  
AND FAIRFAX COUNTY RENTAL PROGRAMS IN RESPONSE  
TO THE HURRICANE KATRINA DISASTER

BE IT RESOLVED that the Fairfax County Redevelopment and Housing Authority authorizes the revision of the Housing Choice Voucher Administrative Plan and the Public Housing and Fairfax County Rental Program Admissions and Occupancy Policies to assist qualified households displaced from a federally declared disaster area as result of Hurricane Katrina, **for the effective period of September 2, 2005 – September 30, 2006**, as described in the Action Item submitted to the FCRHA at its September 13, 2005 special meeting.

A motion was made by Commissioner McAloon, seconded by Commissioner Jasper, that the FCRHA adopt Resolution Number 60-05. HCD Deputy Director Mary Stevens, aided by Michael Wever, Chief Housing Service Branch, made a brief presentation. Ms. Stevens requested flexibility and discretion in responding to the needs of the Katrina victims, in view of the current rental market. She clarified that the IRS has given a temporarily waiver on income limits and other requirements from September 2, 2005 through September 30, 2006, and not September 6, 2005 through September 30, 2006, as previously reported.

An amendment was made to the resolution to add the phrase “for the effective period of September 2, 2005, to September 30, 2006.”

Some Commissioners expressed concerns about the issue fairness being raised by giving preference to Katrina’s victims, in view of the fact that some Fairfax County residents are being housed in shelters because of the County’s inability to provide permanent housing for them. Commissioner Kershenstein suggested an amendment to the resolution to include a more general language, which would cover other disasters instead of making it specific to Katrina.

Responding to Commissioner Kershenstein's request that some special housing similar to mobile homes be designated as emergency housing for future disasters like Katrina, Ms. Sampson explained that the Board of Supervisors has already directed the County Executive to explore the possibility of obtaining trailers for future use. Commissioner Sellers suggested an amendment to the eligibility criteria by establishing a time limit for victims to apply. Following discussion of these issues, a vote was taken on Resolution Number 60-05 as follows:

AYE

Conrad Egan  
Martin Dunn  
Willard Jasper  
Albert McAloon  
Lee Rau  
Joan Sellers

NAY

John Kershenstein  
Elizabeth Lardner  
John Litzenberger

ABSTAIN

The motion carried, with Commissioners Kershenstein, Lardner, and Litzenberger voting nay.

Another motion was made by Commissioner McAloon, seconded by Commissioner Kershenstein, that beginning with the September 22, 2005 meeting, an update be provided to the FCRHA at future meetings. Whenever there is a gap between meetings, a report will be made on a monthly basis to the FCRHA.

After discussion, a vote was taken, and the motion carried unanimously.

2. RESOLUTION NUMBER 61-05

AUTHORIZATION FOR HUNTING CREEK HOUSING CORPORATION (HCHC), AS MANAGING GENERAL PARTNER FOR HUNTING CREEK HOUSING ASSOCIATES LIMITED PARTNERSHIP (PARTNERSHIP), AS OWNER OF THE HUNTING CREEK APARTMENTS (PROJECT) TO: (1) RATIFY EXECUTION AND PERFORMANCE BY HCHC OF A REAL ESTATE PURCHASE AGREEMENT BETWEEN THE PARTNERSHIP AND HUNTING CREEK PARTNERS LP (PURCHASER) AND (2) WAIVE THE RIGHT OF HCHC (OR ITS DESIGNEE) TO PURCHASE THE PROJECT AT THE SAME PRICE AND TERMS OFFERED BY THE PURCHASER

WHEREAS, the Fairfax County Redevelopment and Housing Authority (the "Authority") created the Hunting Creek Housing Corporation, a Virginia nonstock corporation ("HCHC") to serve as Managing General Partner of the Hunting Creek Associates Limited Partnership (the "Partnership") pursuant to the Hunting Creek Housing

Associates Limited Partnership Agreement and First Amended Certificate of Limited Partnership dated November 24, 1980 (the "Partnership Agreement") with CRICO Limited Partnership of Hunting Creek, a co-general partner ("CRICO General Partner") and Capital Housing Partners - XCVI, a District of Columbia limited partnership (the "Limited Partner"); WHEREAS, the Partnership owns a 35-unit townhouse rental property for individuals of low and moderate income, located at 3134-3206 Jackies Lane, in Alexandria, Virginia 22309, in Fairfax County, Virginia and known as Hunting Creek (the "Property");

WHEREAS, HCHC received, on behalf of the Partnership, a proposal from AHD, Inc. ("AHD") dated December 10, 2004 (the "Purchase Proposal") to purchase the Property from the Partnership;

WHEREAS, pursuant to Resolution No. 04-05 adopted on January 27, 2005, the Authority authorized HCHC to execute a purchase agreement for the sale of the Property to AHD, with terms substantially as proposed in the Purchase Proposal and authorized HCHC to waive its right under Section 8.25 of the Partnership Agreement to purchase the Property at the same price and terms offered by AHD under the Purchase Proposal;

WHEREAS, AHD agreed to grant HCHC, its successors and assigns, an exclusive right of first refusal to purchase the Property in the event of a future sale of the Property after its purchase from the Partnership;

WHEREAS, following adoption of Resolution No. 04-05 by the Authority, AHD determined to assign its rights to purchase the Property to a newly created entity known as Hunting Creek Partners LP (the "Purchaser"), the general partner of which is managed by a principal of AHD;

WHEREAS, the Partnership and the Purchaser have entered into a Real Estate Purchase Agreement dated March 9, 2005 (the "Purchase Agreement") and HCHC executed the Purchase Agreement on behalf of the Partnership with the consent of the Limited Partner and the CRICO General Partner;

WHEREAS, the terms of the Purchase Agreement are consistent with the terms of the Purchase Proposal presented by AHD;

WHEREAS, pursuant to the Purchase Agreement a condition precedent to the sale of the Property is execution and delivery of a Right of First Refusal Agreement dated as of March 9, 2005 (the "Right of First Refusal Agreement") between the Purchaser and HCHC, which provides HCHC, its successors and assigns, with the right of first refusal to purchase the Property if the Purchaser at some future date determines to sell the Property;

WHEREAS, HCHC and the Purchaser have executed the Right of First Refusal Agreement and HCHC desires to assign its interest in the Right of First Refusal Agreement to the Authority;

WHEREAS, the Authority desires to accept assignment of all right, title and interest of HCHC under the Right of First Refusal Agreement;

WHEREAS, the Authority desires to approve, authorize and ratify the actions of HCHC as Managing General Partner in executing and delivering (i) the Purchase Agreement with the Purchaser and (ii) the Right of First Refusal Agreement with the Purchaser;

WHEREAS, the Authority desires to reconfirm its authorization for HCHC to waive HCHC's right under Section 8.25 of the Partnership Agreement to purchase the Property at the same price and terms as set forth in the Purchase Proposal;

WHEREAS, the Authority desires to authorize the President and the Secretary/Treasurer of HCHC to execute and deliver all instruments, agreements, certifications or other instruments as may be necessary to effectuate the sale of the Property to the Purchaser and the assignment by HCHC of its interest in the Right of First Refusal Agreement;

WHEREAS, HCHC, CRICO General Partner and the Limited Partner desire to cause the termination of the Partnership following the sale of the Property;

WHEREAS, the Authority desires to cause the dissolution and termination of HCHC following the sale of the Property and termination of the Partnership.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS OF FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY AS FOLLOWS:

Section 1. **Incorporation of Recitals.** The Recitals contained in this Resolution are true and correct and are incorporated in this Resolution by this reference.

Section 2. **Ratification of Purchase Agreement and Prior Actions Consistent with the Purchase Agreement.** HCHC hereby ratifies execution and performance by the officers of HCHC of the Purchase Agreement and any and all other actions taken by such officers consistent with the sale of the Property in accordance with the terms of the Purchase Agreement, including, but not limited to, the execution and delivery of any resolutions of HCHC, as Managing General Partner, and execution and delivery of the Right of First Refusal Agreement.

Section 3. **Assignment of Right of First Refusal Agreement.** The Authority hereby agrees to enter into an assignment agreement (the "Assignment Agreement") pursuant to which HCHC will assign all of its right, title and interest in the Right of First Refusal Agreement to the Authority and the Authority will assume all of the rights and obligations of HCHC under the Right of First Refusal Agreement; the Authority hereby consents to the execution and delivery of the Assignment Agreement and authorizes any Assistant Secretary of the Authority to execute and deliver the Assignment Agreement in a form that is prepared by Ballard Spahr Andrews & Ingersoll, LLP to accomplish such assignment, the execution of such Assignment Agreement being conclusive evidence of the approval of the Authority. The Authority hereby authorizes the officers of HCHC to execute and deliver the Assignment Agreement, such Assignment Agreement to be effective on or before the date of sale of the Property.

Section 4. **Dissolution of HCHC upon Termination of the Partnership.** The President and the Secretary/Treasurer of HCHC are hereby authorized to take whatever actions, and to execute and deliver whatever documents are necessary or advisable to dissolve the Partnership following the sale of the Property and to dissolve HCHC, such dissolution of HCHC to occur as reasonably as practicable following termination of the Partnership after the sale of the Property.

Section 5. **Other Action.** The President and the Secretary/Treasurer of HCHC each are hereby authorized and directed to execute and deliver any and all additional documents, certificates and instruments necessary or proper to do and cause to be done any and all acts and things necessary or proper for completing the sale of the Property on behalf of the Partnership, terminating the Partnership consistent with the requirements of the Partnership Agreement, dissolving HCHC following termination of the Partnership and for carrying out the transactions contemplated by this Resolution.

Section 6. **Actions Approved and Confirmed.** All acts and doings of the officers and Directors of HCHC which are in conformity with the purposes and intent of this Resolution and in furtherance of the sale of the Property under the terms of the Purchase Agreement, the termination of the Partnership following the sale of the Property, the dissolution of HCHC and the execution, delivery and performance of the documents and agreements authorized hereby are in all respects approved, confirmed and ratified.

Section 7. **Severability.** If any provision of this Resolution shall be held or deemed to be illegal, inoperative or unenforceable, the same shall not affect any other provision or cause any other provisions to be invalid, inoperative or unenforceable to any extent whatsoever.

Section 8. **Repealer; Effective Date.** Any resolution or orders or parts thereof in conflict with this Resolution are to the extent of such conflict hereby repealed. This Resolution shall take effect immediately upon its adoption.

A motion was made by Commissioner Lardner, seconded by Commissioner Jasper, that the FCRHA adopt Resolution Number 61-05. After a brief presentation given by Michael Pearman, he responded to questions from the Commissioners.

After discussion, a vote was taken on Resolution Number 61-05, and the motion carried unanimously.

3. RESOLUTION NUMBER: 62-05

APPOINTMENT OF HARRY SWANSON AS SECOND DIRECTOR  
ON THE BOARD OF THE HUNTING CREEK HOUSING CORPORATION (HCHC)  
TO REPLACE MICHAEL S. PEARMAN

BE IT HEREBY RESOLVED THAT the Fairfax County Redevelopment and Housing Authority appoints Harry Swanson, Deputy Director, Revitalization and Real Estate, Department of Housing and Community Development ("HCD"), as Second Director on the Board of Hunting Creek Housing Corporation (HCHC) to replace Michael S. Pearman in order to facilitate sale of the Hunting Creek property and dissolution of the corporation (HCHC).

A motion was made by Commissioner Lardner, seconded by Commissioner Jasper, that the FCRHA adopt Resolution Number 62-05. A vote was taken, and the motion carried unanimously.

ADJOURNMENT

A motion was made by Commissioner Litzenberger, seconded by Commissioner McAloon, to adjourn the meeting at 8:20 p.m. A vote was taken and the motion carried unanimously.

(Seal)

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Conrad Egan, Chair

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Paula C. Sampson, Assistant Secretary